

ARTICLE APPEARED
ON PAGE 21

AVIATION WEEK & SPACE TECHNOLOGY
17 November 1980

Rancor Erupts Within Transition Team

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Washington—President-elect Ronald Reagan is facing the first test of his leadership in the areas of national security and defense funding even before he arrives here to take the reins as the 40th president.

By the time Reagan's transition director Edwin Meese arrived here last week rancor over national security already had cropped up among several major factions jockeying for power.

The appointment to key positions in the transition team of those who until recently have been more closely aligned with former President Gerald Ford and his secretary of state, Henry Kissinger, only aggravated further Reagan's national security problems, his aides said last week.

Three factions have taken shape in the aftermath of the election, and they are being referred to in colorful terms by Reagan's defense advisers. One is called the Ford-Kissinger Elitists, generally those who favor detente or arms control and moderate defense spending increases, the advisers explained. Another group is loosely aligned with William E. Timmons, deputy director of the transition, and they are referred to as "the Gucci Loafer Boys," because of their penchant for wearing those shoes. The third major faction is composed of the Reagan right-wing group known as "the California Primals."

The right-wing faction favors immediate increases in the Fiscal 1981 Defense budget of approximately \$25 billion to make quick fixes in U. S. strategic nuclear weapons programs (AWAST Nov. 10, p. 16).

This faction is generally aligned with Richard V. Allen, Reagan's long-time foreign policy adviser, and William R. Van Cleave, who is heading the Defense Dept. transition team.

"The words among the factions have been vicious, but this could be solved with the arrival of Meese," one Reagan insider said last week. "After all, it's the first time the guy in charge has been here to be in charge."

Other Reagan aides, many of whom have been supporting him for years in his presidential campaign, believe that things may have gone so far that only Reagan's direct intervention can calm the various factions and get the transition moving in step.

Some of the more right-wing Reagan aides said last week that those appointed as transition group directors have not been strong Reagan backers. They charged that David Abshire, group director for national security, is more closely aligned with the Ford-Kissinger group. Some of the hard-line Reagan faction call him "a Henry Kissinger stalking horse for arms control and less defense spending than now envisioned."

Even Reagan's right-wing California faction now sees the shift away from the right to a more moderate stance in national security and questions its wisdom. Meese told them the first priority in selecting the new government would be loyalty to Reagan, but the right wingers see key transition figures whose loyalty is to Ford or Bush ending up in critical appointment positions.

Last week the transition team appointed codirectors in five major functional areas. The codirector for national security, along with Abshire, will be John F. Lehman, president of Abington Corp. and former deputy director of the Arms Control and Disarmament Agency. He will work in both Defense and State Dept. areas, with particular interest in Navy modernization and staffing.

The chain of command will be from Reagan to Meese to Timmons to the codirectors in the five functional areas, and down to team captains. As an example, the national security group contains Defense and State Depts., the Central Intelligence Agency, Arms Control and Disarmament Agency, International Development Agency and others.

Team captain for intelligence transition will be Lawrence H. Silberman, former deputy attorney general, former ambassador to Yugoslavia and now a San Francisco banker.

The Defense Dept. budget proposal being prepared for Reagan is expected to

be presented to the secretary of Defense nominee, who should be named by early December, according to Reagan transition officials. That budget is expected to call for a Fiscal 1981 supplemental of approximately \$25 billion, and a total of \$150-225 billion through Fiscal 1985.

Some of those directly involved in preparing the Reagan defense plan were surprised last week when Sen. John Tower (R.-Tex.) called on the new Reagan administration to begin with a \$3 billion addition to the Fiscal 1981 Carter Administration Defense budget of about \$161 billion.

Top-level national security transition officials said it came as a complete surprise and that Tower had not coordinated with them first.

"That won't even cover the increase needed for fuel and inflation," one transition official said. "This would force us to eat the increases for fuel and inflation estimated at about \$6 billion in the Fiscal 1982 Defense budget, putting a burden on the [Reagan] Administration."

Would Shift Emphasis

Other Reagan Defense Dept. transition officials believe that the new Administration should forget Fiscal 1982 funding still stalled in Congress and move to increase the Carter Fiscal 1982 military budget of approximately \$185 billion by \$25-35 billion to meet defense requirements.

Those involved in preparing the Reagan five-year defense plan confirmed last week that they are asking the armed services to look into specific programs to determine the capability of accelerating them and absorbing the increased funding in an efficient manner to move the country toward regaining military superiority. The services are expected to respond by early December.

Reagan's national security transition team also will seek to put its imprint on the posture statements that senior-level Defense Dept. officials and service chiefs of staff make to Congress shortly after the Fiscal 1982 budget is delivered.

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